

10 August 2020

Department of Corporate Services
BSE Limited
1st floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai - 400 001
Scrip Code: 500710

The Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor,
Bandra-Kurla Complex
Bandra (E)
Mumbai – 400051
Symbol: AKZOINDIA

Dear Sir/Madam,

Un-audited Financial Results

This is to inform you that the Board of Directors of Akzo Nobel India Limited in its meeting held today has approved the Un-audited Financial Results of the Company for the quarter ended 30 June 2020.

Copies of the Un-audited Financial Results, Limited Review Report thereon and the Press Release issued by the Company today are attached herewith.

The meeting ended at 4.10 pm.

Yours faithfully,
For Akzo Nobel India Limited



Harshi Rastogi
Company Secretary
Membership#A13642

Encl: as above.

Akzo Nobel India Limited

Registered Office : Geetanjali Apartment, 1st Floor, 8-B Middleton Street, Kolkata -700071

CIN: L24292WB1954PLC021516

Statement of Standalone Unaudited Financial Results for the quarter ended 30 June 2020

(Rs. in Million)

Particulars	Quarter ended			For the year
	30 June 2020	31 March 2020	30 June 2019	ended 31 March
	(Unaudited)	(Unaudited)	(Unaudited)	2020
				(Audited)
1 Income from operations				
(a) Revenue from operations	2,585.0	5,812.7	7,196.9	26,618.1
(b) Other income	60.0	158.1	79.4	376.2
Total income from operations	2,645.0	5,970.8	7,276.3	26,994.3
2 Expenses				
(a) Cost of materials consumed	606.1	2,965.0	3,782.5	12,009.0
(b) Purchase of stock-in-trade	656.4	1,066.0	345.7	2,675.0
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	164.3	(833.2)	(186.9)	(258.8)
(d) Employee benefits expense	598.5	585.3	688.3	2,550.8
(e) Finance costs	29.5	9.2	25.3	93.4
(f) Depreciation and amortisation expense	175.1	191.7	202.0	790.1
(g) Other expenses	685.8	1,160.7	1,533.5	5,850.9
Total expenses	2,915.7	5,144.7	6,390.4	23,710.4
3 Profit / (Loss) from operations before exceptional items and tax (1-2)	(270.7)	826.1	885.9	3,283.9
4 Exceptional Items - Income / (Expense) (Refer note 3)	-	(87.2)	-	(52.3)
5 Profit / (Loss) before tax from operations (3+4)	(270.7)	738.9	885.9	3,231.6
6 Tax expense				
(a) Current tax (net)	-	218.2	369.7	929.7
(b) Deferred tax	(68.1)	(19.6)	(55.2)	(72.2)
7 Profit / (Loss) for the period from operations (5-6)	(202.6)	540.3	571.4	2,374.1
8 Other comprehensive income, net of income tax				
Items that will not be reclassified to profit or loss				
(A) (i) Gain/(Loss) of defined benefit obligations	(55.8)	74.5	(43.0)	(50.7)
(ii) Income tax relating to above	14.1	(18.4)	15.0	13.1
(B) (i) Changes in fair value of FVOCI equity instruments	-	(1.2)	-	(1.2)
(ii) Income tax relating to above	-	0.3	-	0.3
Other comprehensive income for the period / year, net of income tax	(41.7)	55.2	(28.0)	(38.5)
9 Total comprehensive income for the period (7+8)	(244.3)	595.5	543.4	2,335.6
10 Paid - up equity share capital (Shares of Rs. 10 each)	455.4	455.4	455.4	455.4
11 Earnings per share (of Rs. 10 each) (not annualised) from operations:				
(a) Basic	(4.45)	11.86	12.55	52.13
(b) Diluted	(4.45)	11.86	12.55	52.13



Akzo Nobel India Limited
Registered Office: Geetanjali Apartment, 1st Floor, 8B Middleton Street, Kolkata - 700 071
CIN: L24292WB1954PLC021516

Standalone Unaudited Financial Results for the quarter ended 30 June 2020

Notes:

1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 10 August 2020. The figures for the quarter ended 30 June 2020 and 30 June 2019 have been subjected to limited review by the statutory auditors.
2. The figures for the quarter ended 31 March 2020 have not been subjected to review/audit by the statutory auditors. These are balancing figures between standalone audited financial statements for the full financial year ended 31 March 2020 and year to date standalone unaudited figures of nine months ended 31 December 2019.
3. Exceptional Items - Income/(Expense), net represent:

Particulars	Quarter ended			Rs. In Million
	30 June 2020	31 March 2020	30 June 2019	For the year ended
				31 March 2020
VRS Payment and other termination benefits	-	(87.2)	-	(87.2)
Divestment provisions and indirect taxes on divested businesses no longer required	-	-	-	34.9
	-	(87.2)	-	(52.3)

4. The Company operates in single segment viz. Coatings. Therefore, separate segment disclosures under the provisions of Ind AS 108 have not been given in respect of Standalone Financial Results for the quarter ended 30 June 2020.
5. The Company has revised useful lives of certain assets based on their expected period of use and physical condition, which has resulted in reduction in depreciation expense by INR 13 Mn with corresponding impact on loss before tax for the quarter ended 30 June 2020.
6. The Company's operations and financial results for the quarter ended 30 June 2020 have been adversely impacted by the outbreak of COVID-19 pandemic and the consequent lockdown announced by the Government of India due to which the operations were suspended for part of the quarter and gradually resumed with requisite precautions. The results for the quarter are, therefore, not comparable with those for the previous quarters. The company has considered the possible effects that may result from COVID-19 in the preparation of these interim financial results for the quarter ended 30 June 2020. In assessing the carrying value of its assets and liabilities, the Company has considered internal and external information available, and based on such information and assessment, no further adjustments are required to be made. The impact of the pandemic may differ from that estimated as at the date of approval of these interim financial results. The Company will continue to closely monitor any material changes to future economic conditions.
7. Previous period figures have been regrouped/ reclassified, wherever necessary, to make them comparable to the current period figures.

Gurugram
10 August 2020



Rajiv Rajgopal
Managing Director



Price Waterhouse Chartered Accountants LLP

Review Report

To
The Board of Directors
Akzo Nobel India Limited
9th Floor, Magnum Towers,
Golf Course Extension Road,
Sector 58, Gurugram – 122 011
Haryana, India

1. We have reviewed the unaudited financial results of Akzo Nobel India Limited (the “Company”) for the quarter ended 30 June 2020, which are included in the accompanying ‘Statement of Standalone Unaudited Financial Results for the quarter ended 30 June 2020’ (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations, 2015”), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company’s management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention to note 6 to the Standalone Unaudited Financial Results, which describes the management’s assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company and the adjustment made to these Standalone Unaudited Financial Results. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

ANURAG KHANDELWAL
WAL

Digitally signed by
ANURAG
KHANDELWAL
Date: 2020.08.10
15:11:30 +05'30'

Anurag Khandelwal
Partner
Membership Number: 078571

UDIN: 20078571AAAABO2512
Place: Gurugram
Date: 10 August 2020

Price Waterhouse Chartered Accountants LLP, Building No. 8, 7Th & 8Th Floor, Tower - B, DLF Cyber City,
Gurgaon - 122 002
T: +91 (124) 4620000, 3060000, F: +91 (124) 4620620

Registered office and Head Office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi – 110002

Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPINAAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Akzo Nobel India Limited

Registered Office : Geetanjali Apartment, 1st Floor, 8-B Middleton Street, Kolkata -700071

CIN: L24292WB1954PLC021516

Statement of Consolidated Unaudited Financial Results for the quarter ended 30 June 2020

(Rs. in Million)

Particulars	Quarter ended			For the year ended 31 March 2020
	30 June 2020	31 March 2020	30 June 2019	
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from operations				
(a) Revenue from operations	2,585.0	5,812.7	7,196.9	26,618.1
(b) Other income	60.0	158.1	79.4	376.2
Total income from operations	2,645.0	5,970.8	7,276.3	26,994.3
2 Expenses				
(a) Cost of materials consumed	606.1	2,965.0	3,782.5	12,009.0
(b) Purchase of stock-in-trade	656.4	1,066.0	345.7	2,875.0
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	164.3	(833.2)	(186.9)	(258.8)
(d) Employee benefits expense	600.1	587.0	690.5	2,557.5
(e) Finance costs	29.5	9.2	25.3	93.4
(f) Depreciation and amortisation expense	175.1	191.7	202.0	790.1
(g) Other expenses	684.2	1,158.5	1,531.3	5,843.7
Total expenses	2,915.7	5,144.2	6,390.4	23,709.9
3 Profit / (Loss) from operations before exceptional items and tax (1-2)	(270.7)	826.6	885.9	3,284.4
4 Exceptional Items - Income / (Expense) (Refer note 3)	-	(87.2)	-	(52.3)
5 Profit / (Loss) before tax from operations (3+4)	(270.7)	739.4	885.9	3,232.1
6 Tax expense				
(a) Current tax (net)	-	218.2	369.7	929.7
(b) Deferred tax	(68.1)	(19.6)	(55.2)	(72.2)
7 Profit / (Loss) for the period from operations (5-6)	(202.6)	540.8	571.4	2,374.6
8 Other comprehensive (expense)/income, net of income tax from operations				
Items that will not be reclassified to profit or loss				
(A) (i) Gain/(Loss) of defined benefit obligations	(55.8)	74.0	(43.0)	(51.2)
(ii) Income tax relating to above	14.1	(18.4)	15.0	13.1
(B) (i) Changes in fair value of FVOCI equity instruments	-	(1.2)	-	(1.2)
(ii) Income tax relating to above	-	0.3	-	0.3
Other comprehensive income for the period / year, net of income tax	(41.7)	54.7	(28.0)	(39.0)
9 Total comprehensive income for the period	(244.3)	595.5	543.4	2,335.6
10 Paid - up equity share capital (Shares of Rs 10 each)	455.4	455.4	455.4	455.4
11 Earnings per share (of Rs. 10 each) (not annualised) from operations:				
(a) Basic	(4.45)	11.86	12.55	52.13
(b) Diluted	(4.45)	11.86	12.55	52.13



Consolidated Unaudited Financial Results for the quarter ended 30 June 2020

Notes:

1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 10 August 2020. The figures for the quarter ended 30 June 2020 and 30 June 2019 have been subjected to limited review/audit by the statutory auditors.
2. The figures for the quarter ended 31 March 2020 have not been subjected to review/audit by the statutory auditors. These are balancing figures between the consolidated audited financial statements for the full financial year ended 31 March 2020 and year to date consolidated unaudited figures of nine months ended 31 December 2019.
3. Exceptional Items - Income/(Expense), net represent:

Particulars	Quarter ended			Rs. In Million
	30 June 2020	31 March 2020	30 June 2019	For the year ended 31 March 2020
VRS Payment and other termination benefits	-	(87.2)	-	(87.2)
Divestment provisions and indirect taxes on divested businesses no longer required	-	-	-	34.9
	-	(87.2)	-	(52.3)

4. The Group operates in single segment viz. Coatings. Therefore, separate segment disclosures under the provisions of Ind AS 108 have not been given in respect of Consolidated Financial Results for the quarter ended 30 June 2019.
5. The Group has revised useful lives of certain assets based on their expected period of use and physical condition, which has resulted in reduction in depreciation expense by INR 13 Mn with corresponding impact on loss before tax for the quarter ended 30 June 2020.
6. The Group's operations and financial results for the quarter ended 30 June 2020 have been adversely impacted by the outbreak of COVID-19 pandemic and the consequent lockdown announced by the Government of India due to which the operations were suspended for part of the quarter and gradually resumed with requisite precautions. The results for the quarter are, therefore, not comparable with those for the previous quarters. The Group has considered the possible effects that may result from COVID-19 in the preparation of these interim financial results for the quarter ended 30 June 2020. In assessing the carrying value of its assets and liabilities, the Group has considered internal and external information available, and based on such information and assessment, no further adjustments are required to be made. The impact of the pandemic may differ from that estimated as at the date of approval of these interim financial results. The Group will continue to closely monitor any material changes to future economic conditions.
7. Previous period figures have been regrouped/ reclassified, wherever necessary, to make them comparable to the current period figures.

Gurugram
10 August 2020



Rajiv Rajgopal
Managing Director



Price Waterhouse Chartered Accountants LLP

Review Report

To
The Board of Directors
Akzo Nobel India Limited
9th Floor, Magnum Towers,
Golf Course Extension Road,
Sector 58, Gurugram-122011
Haryana, India

1. We have reviewed the unaudited consolidated financial results of Akzo Nobel India Limited (the “Parent”) and its subsidiary (the parent and its subsidiary hereinafter referred to as the “Group”) for the quarter ended 30 June 2020, which are included in the accompanying ‘Statement of Consolidated Unaudited Financial Results for the quarter ended 30 June 2020’ (the “Statement”). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Parent’s Management and has been approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. The Statement includes the results of the following entities:
 - Akzo Nobel India Limited
 - ICI India Research & Technology Centre (Subsidiary Company)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to note 6 to the Consolidated Unaudited Financial Results, which describes the management’s assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Group and the adjustment made to these Consolidated Unaudited Financial Results. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

Price Waterhouse Chartered Accountants LLP, Building No. 8, 7th & 8th Floor, Tower - B, DLF Cyber City,
Gurgaon - 122 002

T: +91 (124) 4620000, 3060000, F: +91 (124) 4620620

Registered office and Head Office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi – 110002

Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPINAAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

7. We did not review the interim financial results of the subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 1.8 million, total net profit/(loss) after tax of Rs. Nil and total comprehensive income / (loss) of Rs. Nil, for the quarter ended 30 June 2020, as considered in the consolidated unaudited financial results. Accordingly to the information and explanations given to us by the management, these interim financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

ANURAG
KHANDELW
AL

Digitally signed by
ANURAG
KHANDELWAL
Date: 2020.08.10
15:12:21 +05'30'

Anurag Khandelwal

Partner

Membership Number: 078571

UDIN: 20078571AAAABP1836

Place: Gurugram

Date: 10 August 2020

Media release

Gurugram, August 10, 2020

AkzoNobel India announces Q1 FY 2020-21 results

The Board of Directors of Akzo Nobel India Limited today approved the unaudited financial results for the quarter ended June 30, 2020.

Performance highlights

Q1 FY21 versus Q1 FY20

- **Revenue from operations at ₹258.5 crores** declined by 64% over the previous year, mainly due to a shutdown until mid-May in most parts of the country and a gradual revival since then
- **EBITDA loss at ₹12.6 crores and EBIT loss at ₹30.1 crores** due to lower volume. The corresponding numbers for EBITDA profit and EBIT profit for the same quarter last year were ₹103.4 crores and ₹83.2 crores respectively

Commenting on the performance for the quarter, **Rajiv Rajgopal, Managing Director, AkzoNobel India**, said: “Business came to a standstill in April due to a complete lockdown, the partial resumption in May and Unlock 1.0 being announced in June. Demand from automotive, infrastructure, oil and gas and construction segments was heavily impacted.

Metros and large towns continued to see a relatively higher impact from the pandemic, resulting in slower offtake of the premium segments where we have a higher salience. Tier 2 and Tier 3 markets have performed relatively better.

During the quarter, we achieved a significant reduction in operating costs which led to a resumption of profits in June. We will continue to manage the uncertain environment and volatility with a focus on costs and driving recovery in the build-up to the festive season. Our focus on safety and the well-being of our employees – as well as other stakeholders – continues to be a top priority.”

Recent highlights

Launch of Dulux Protect

Dulux Protect is a comprehensive programme aimed at supporting painters and contractors due to the challenges posed by the pandemic. Some of the initiatives include financial support, providing dry ration kits, health protection through insurance and tele-medicine facilities, and a safe return to the workplace by providing PPE kits.

New range of Interpon coatings simplifies corrosion protection

Corrosion protection has got easier following the launch of a range of high-performance primers from AkzoNobel's Powder Coatings business. Four innovative systems were developed to cover a variety of

substrates, surfaces and environments – from swimming pools to chemical plants and high humidity to highly corrosive areas. Powder coatings offer inherent sustainability benefits, such as no VOCs, reduced energy use and less waste.

About AkzoNobel

AkzoNobel has a passion for paint. We're experts in the proud craft of making paints and coatings, setting the standard in color and protection since 1792. Our world class portfolio of brands – including Dulux, International, Sikkens and Interpon – is trusted by customers around the globe. Headquartered in the Netherlands, we are active in over 150 countries and employ around 33,000 talented people who are passionate about delivering the high-performance products and services our customers expect.

About AkzoNobel India

AkzoNobel India has been present in India for over 60 years and is a significant player in the paints industry. In 2008, the company became a member of the AkzoNobel Group. With employee strength of over 1,482, AkzoNobel India has manufacturing sites, offices and a distribution network spread across the country. All manufacturing facilities have a state-of-the-art environmental management system. Its commitment to Health, Safety, Environment and Security (HSE&S) has been among the best-in-class globally, with due care being taken to protect people and the environment.

Safe harbor statement

This media release contains statements which address such key issues as AkzoNobel's growth strategy, future financial results, market positions, product development, products in the pipeline and product approvals. Such statements should be carefully considered, and it should be understood that many factors could cause forecast and actual results to differ from these statements. These factors include, but are not limited to, price fluctuations, currency fluctuations, developments in raw material and personnel costs, pensions, physical and environmental risks, legal issues, and legislative, fiscal, and other regulatory measures, as well as significant market disruptions such as the impact of pandemics. Stated competitive positions are based on management estimates supported by information provided by specialized external agencies. For a more comprehensive discussion of the risk factors affecting our business, please see our latest annual report. www.akzonobel.com.

Company contacts

Investor Relations, AkzoNobel India:
Harshi Rastogi, investor.india@akzonobel.com; +91-124-4852400

Country Communications, AkzoNobel India
Prerna Arun, prerna.arun@akzonobel.com; +91-124-4852400